

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6941

Petition of Green Mountain Power Corporation for a)
waiver of the prohibition upon site preparation for and)
construction of an electric transmission facility in order)
to install a 3-phase 3.75/5 MVA transformer adjacent to)
the Middlesex Substation #2 –)

Hearing at
Montpelier, Vermont
April 7, 2004

Order entered: 4/7/2004

PRESENT: Edward McNamara, Hearing Officer
William B. Jordan, Utilities Engineer

APPEARANCES: John Cotter, Esq
for Vermont Department of Public Service

Harriet Ann King, Esq.
King & King
for Green Mountain Power Corporation

Warren Coleman, Esq.
for Vermont Agency of Natural Resources

I. INTRODUCTION

On April 5, 2004, the Vermont Public Service Board ("Board") received a petition pursuant to 30 V.S.A. § 248(k) from Green Mountain Power Corporation ("GMP"), seeking a waiver of Section 248's general prohibition against site preparation and construction of electric transmission facilities without Board pre-approval. The subject of the requested waiver is the emergency installation of a three-phase transformer adjacent to the Middlesex Substation # 2 in Moretown, Vermont.

On April 5, 2004, the petition was served on the governmental bodies required to receive notice pursuant to 30 V.S.A. § 248 (a)(4)(C). The Board appointed me as Hearing Officer to conduct the preliminary hearing on the request for a waiver, and to prepare a Proposal for

Decision in this Docket. An expedited preliminary hearing was held as scheduled on April 7, 2004, after providing notice to the petitioner and governmental bodies specified in subsection (a)(4)(C) of 30 V.S.A. § 248. At the hearing, GMP and the Vermont Department of Public Service ("Department") presented evidence in support of its request for a waiver. On April 7, 2004, GMP, the Department, and the Vermont Agency of Natural Resources ("ANR") filed a joint letter waiving the opportunity to comment on this Proposal for Decision in accordance with 3 V.S.A. § 811.

II. FINDINGS

Based on the evidence of record and the testimony presented at the expedited hearing, I hereby report the following findings to the Board in accordance with 30 V.S.A. § 8.

1. GMP owns and operates a substation in Moretown, Vermont. The Middlesex Substation # 2 serves GMP's customers in the Middlesex and Moretown areas. Arthur pf. at 2. The substation has three 1333 KVA single-phase transformers in a three-phase bank. Arthur pf. at 1.
2. One of the 1333 KVA single-phase transformers has internal problems. Tests conducted by GMP indicate that the transformer is subject to complete failure at any time, with this failure likely to occur within the next few weeks. GMP records show that this transformer is of 1928 vintage. The other two transformers in the bank are beyond their useful lives and are subject to failure if stressed by the loss of the failing transformer. Arthur pf. at 1-2.
3. A complete failure of the transformer would result in loss of electric service to approximately 130 retail electric customers in the Middlesex and Moretown area for approximately ten to twenty-four hours needed for GMP to complete temporary measures to restore service. Arthur pf. at 2.
4. As a temporary measure to prevent loss of power to its customers, GMP connected its 3750 KVA Mobile Substation at the Middlesex Substation # 2. Arthur pf. at 2. The 3750 Mobile Substation is necessary to provide emergency support for several other GMP substations. Arthur pf. at 3. Mobile substations are often the quickest means of restoring power in the event of a serious failure in a substation. Arthur pf. at 4.

5. It is important to remove the Mobile Substation from service at the Middlesex Substation to make it available for other emergency restorations and normal construction and maintenance work. Arthur pf. at 3.

6. GMP plans on installing a 3-phase 3.75/5 MVA transformer, from its emergency stock, on temporary timbers at a site to be prepared near the existing transformer bank. Site preparation will require setting three poles, one with a push brace, and construction of an earthen berm oil containment enclosure. GMP will bury a cable needed to connect the low side of the transformer to a pole providing access to the hydroelectric plant bus. Arthur pf. at 2-3; Exh. GMP MA-B; Tr. 4/7/04 (Arthur).

7. GMP's proposed solution is not the only possible solution, but it is the optimal solution that will best ensure continued reliable service to GMP's customers. Tr. 4/7/04 (Litkovitz).

III. DISCUSSION

The evidence presented in the petition and at the preliminary hearing demonstrates that the criteria for Section 248(k) have been met for issuance of the requested waiver for the installation of the temporary 3-phase transformer. Specifically, the evidence shows that the condition of the existing single-phase transformers constitutes an emergency situation, that the waiver is necessary to provide adequate and efficient service, and that the waiver will promote the general good of the state.

The prefiled testimony indicates that GMP would suffer a loss of revenues, through decreased generation at the Middlesex hydroelectric plant, if the waiver is not granted. There is sufficient information in the record to indicate that an emergency situation exists without considering the economic impact on GMP that would result if the waiver were not granted. However, I note that, absent extraordinary circumstances, it would appear to be difficult to find that economic harm to a utility, alone, would be sufficient cause to issue a waiver pursuant to Section 248(k).

IV. CONCLUSION

For the reasons stated above, I recommend that the Board grant the requested waiver of the prohibition against site preparation and construction of electric transmission facilities for the temporary replacement of the transformer. I further recommend that the Board include in the waiver the conditions set forth in the attached proposed Order.

Dated at Montpelier, Vermont, this 7th day of April, 2004.

s/Edward McNamara

Edward McNamara
Hearing Officer

V. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. Pursuant to 30 V.S.A. § 248(k), the prohibition of 30 V.S.A. § 248(a)(2) against site preparation for, and the installation of, a 3-phase 3.75/5 MVA transformer at the Middlesex Substation # 2 by Green Mountain Power Corporation prior to the issuance of a certificate of public good, is waived, subject to the following conditions.
2. The transformer shall be installed in accordance with the testimony submitted by the petitioner in this proceeding.
3. Construction at the site shall be in accordance with the Vermont Agency of Natural Resources's "Vermont Handbook for Erosion Prevention and Sediment Control."
4. GMP shall file, by May 10, 2004, a petition for a certificate of public good authorizing the permanent replacement of the transformer at its Middlesex Substation # 2.

Dated at Montpelier, Vermont, this 7th day of April, 2004.

<u>s/Michael H. Dworkin</u>)	
)	PUBLIC SERVICE
)	
<u>s/David C. Coen</u>)	BOARD
)	
)	OF VERMONT
<u>s/John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: April 7, 2004

ATTEST: s/Judith C. Whitney

Deputy Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.